

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

TO: REGIONAL ADMINISTRATOR
HEALTH FINANCING ADMINISTRATION
DEPARTMENT OF HUMAN SERVICES

1. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

2. FEDERAL STATUTE/REGULATION CITATION:
12 CFR 431.51

3. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Preprint page 41 and Attachment 4.18-A, page 2

1. TRANSMITTAL NUMBER:

04 - 06

2. STATE:

Michigan

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE
July 1, 2004

7. FEDERAL BUDGET IMPACT:

a. FFY 04 \$ -0-
b. FFY 05 \$ -0-

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Preprint page 41 and Attachment 4.18-A, page 2

6. SUBJECT OF AMENDMENT:

Co-payment Policy

Michigan (04-06)
Approved: 09/03/04
Effective: 07/01/04

1. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:
Paul Reinhart, Director
Medical Services Administration

2. SIGNATURE OF STATE AGENCY OFFICIAL:

3. TYPED NAME:
Paul Reinhart

4. TITLE:
Director, Medical Services Administration

5. DATE SUBMITTED:

July 7, 2004

16. RETURN TO:

Medical Services Administration
Program/Eligibility Policy Division - Federal Liaison Unit
Capitol Commons Center - 7th Floor
400 South Pine
Lansing, Michigan 48933

Attn: Nancy Bishop

FOR REGIONAL OFFICE USE ONLY

7. DATE RECEIVED:
7/8/04

18. DATE APPROVED:

SEP 03 2004

PLAN APPROVED - ONE COPY ATTACHED

9. EFFECTIVE DATE OF APPROVED MATERIAL:

07/01/04

20. SIGNATURE OF REGIONAL OFFICIAL:

22. TITLE: *Assistant Regional Administrator*
Division of Medicaid and Children's Health

1. TYPE NAME:

Cheryl A. Harris

3. REMARKS:

RECEIVED
JUL 08 2004
DMCH - MI/MN/WI

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

Charges Imposed on Categorically and Medically Needy

B. The method used to collect cost sharing charges:

X Providers are responsible for collecting the cost sharing charges from individuals.

___ The agency reimburses providers the full Medicaid rate for a service and collects the cost sharing charges from individuals.

C. The basis for determining whether an individual is unable to pay the charge, and the means by which the such an individual is identified to providers, is described below:

Providers cannot deny services to beneficiaries unable to pay copayments.

The method for determining whether a beneficiary is unable to pay is the beneficiary's assertion that he or she is unable to pay the co-payment. Any uncollected copayment amount is considered a debt to the provider.

TN NO.: 04-06

Approval Date: SEP 03 2004

Effective Date: 7/1/04

Supersedes

TN No.: 85-27

MICHIGAN MEDICAID STATE PLAN

41

New: HCFA-PM-99-3
JUNE 1999

State: Michigan

Citation

4.10 Free Choice of Provider

42 CFR 431.51
AT 78-90
46 FR 48524
46 FR 23212
1902(a)(23) of the Act
P.L. 100-93
(section 8(f))
P.L 100-203
(section 4113)

- (a) Except as provided in paragraph (b), the Medicaid agency assures that an individual eligible under the plan may obtain Medicaid services from any institution, agency, pharmacy, person or organization that is qualified to perform the services, including an organization that provides these services or arranges for their availability on a prepayment basis. Providers who elect not to provide services based on a history of bad debt, including unpaid co-payments, shall give beneficiaries appropriate verbal notice and a reasonable opportunity for payment. Beneficiaries retain the ability to seek services from other enrolled providers.
- (b) Paragraph (a) does not apply to services furnished to an individual –
- (1) Under an exception allowed under 42 CFR 413.54, subject to the limitations in paragraph (c), or
- (2) Under a waiver approved under 42 CFR 431.55, subject to the limitations in paragraph (c), or
- (3) By an individual or entity excluded from participation in accordance with section 1902(p) of the Act,
- (4) By individuals or entities who have been convicted of a felony under Federal or State law and for which the State determines that the offense is inconsistent with the best interests of the individual eligible to obtain Medicaid services, or
- (5) Under an exception allowed under 42 CFR 438.50 or 42 CFR 440.168, subject to the limitations in paragraph (c).
- (c) Enrollment of an individual eligible for medical assistance in a primary care case management system described in section 1905(t), 1915(a), 1915(b)(1), or 1932(a); or managed care organization, prepaid inpatient health plan, a prepaid ambulatory health plan, or similar entity shall not restrict the choice of the qualified person from whom the individual may receive emergency services or services under section 1905(a)(4)(c).

Section 1902(a)(23) of
the Social Security Act
P.L. 105-33

Section 1932(a)(1)
Section 1905(t)